

LAW OFFICES

MARTINEZ & CURTAG, . . ..

MICHAEL A. CURTIS JAY M. MARTINEZ WILLIAM P. SULLIVAN SUSAN D. GOODWIN LARRY K. UDALL ANJA K. WENDEL PAUL M. MICHAUD KELLY Y. SCHWAB AZ-GORP COMPLESION

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PHOENIX, ARIZONA 85006-1090

TELEPHONE (602) 248-0372 TELECOPIER (602) 266-8290

OF COUNSEL
JOSEPH F. ABATE
THOMAS A. HINE
AND THE COMMISSION
DOCKETED

REFER TO FILE NIG 0 3 2000

DOCKENSESY-118

August 3, 2000

Deborah R. Scott, Director Utilities Division Arizona Corporation Commission 1200 West Washington Phoenix, Arizona 85007

Re:

Navopache's Unbundled Standard Offer Tariff(s)

Docket Nos. RE-00000C-94-0165 and E-01787A-98-0465

Dear Ms. Scott:

On June 28, 2000, Navopache Electric Cooperative, Inc. ("Navopache") submitted its Unbundled Standard Offer Tariffs as required by the Arizona Corporation Commission in Decision No. 62612. Navopache hereby submits its Unbundled Tariff Schedule 9 (Interruptible Service with Notice and Continuation). This Schedule was inadvertently omitted from the June 28, 2000 docket filing.

If you have questions or concerns, please do not hesitate to contact Martinez & Curtis, P.C.

Very truly yours,

Paul R. Michaud For the Firm

PRM/trs

Enclosures:

Unbundled Tariff(s)

cc:

Wayne Retzlaff

Paul O'Dair

David Berry

109-29-18(compliance) /letters/ds(acc)-unbundled tariff.080300

### **CERTIFICATE OF MAILING**

A copy of the letter to the Commission regarding Navopache's request to extend the date to prepare unbundled bills and a copy of Commission's Decision No. 62612 mailed this 3rd day of August, 2000 to Service Lists for RE-00000C-94-0165 and E-01787A-98-0465.

Karyn Christine

Secretary to Paul R. Michaud

# SCHEDULE NO. 9 - S.O. INTERRUPTIBLE SERVICE WITH NOTICE AND CONTINUATION (UNBUNDLED STANDARD OFFER SERVICES)

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#### **Availability**

Available to three phase customers with a minimum predetermined interruptible aggregate load of 1000 kW and who contract for interruptible service for a minimum of five years. The Cooperative may suspend the availability of this tariff to customers whenever it determines such service can no longer be economically offered, subject to the established rules and regulations of the Cooperative and the Arizona Corporation Commission.

#### Applicability:

This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc. and who want interruptible service.

#### Type of Service:

Three phase, 1000 kW or more of aggregate load, alternating current, 60 cycles, at available secondary or primary voltages, subject to interruption.

#### Rate:

Fixed monthly distribution charge per billing meter	\$467.16
Variable monthly distribution charge, per kW	\$2.92
Variable monthly distribution charge, per kWh	\$0.0182
Metering charge, per month per billing meter	\$26.88
Meter reading charge, per month per billing meter	<b>\$1.78</b>
Billing charge, per month per billing meter	<b>\$4.</b> 18
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:\*

per kWh	\$0.01891
per kW per month	\$3.08

See also Continuation Charge, below.

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

<sup>\*</sup> When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

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#### Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

#### Competitive Transition Charge (CTC):

per kWh, all kWh

\$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

#### Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

#### **Environmental Portfolio Surcharge**

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter except for customers whose interruptible demand is 3,000 kW or more for three consecutive months, in which case the surcharge shall not exceed \$39.00 per month per meter.

#### Determination of Interruptible Demand (kW)

The amount of interruptible demand shall be the greater of:

- (a) the Maximum Actual Demand, excluding Firm Demand; or
- (b) the Predetermined Interruptible Demand.

The Maximum Actual Demand for each interruptible billing account shall be the highest simultaneous 15-minute demand at the delivery point(s) for service to the customer during the billing month measured at the billing meter(s). The amount shall be adjusted, if necessary, to account for losses between the location(s) of the billing meter(s) and the point(s) of delivery to the customer.

The Firm Demand for each interruptible billing account shall be the sum of the non-coincident demand(s) measured at each billing meter during the billing month which the Cooperative and the customer agree shall not be subject to interruption and for which the customer agrees to be

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separately metered and billed under the Cooperative's applicable non-interruptible rate schedule.

The Predetermined Interruptible Demand for each interruptible billing account shall be the contractual minimum aggregate demand during the billing month. The customer and the Cooperative, with the concurrence of its wholesale power supplier, may agree with not less than thirty (30) days notice, to change the Predetermined Interruptible Demand; provided, however, the aggregate demand subject to simultaneous interruption may not be less than 1000 kW for any interruptible account and only increments of whole megawatts shall be permitted.

By November 30 of each year the customer shall submit a proposed schedule indicating the requested aggregate Predetermined Interruptible Demand for each billing meter and for each month of the next calendar year.

#### Determination of Interruptible Energy (kWh)

Interruptible energy (kWh) for each interruptible billing account shall be the sum of the total energy measured during the billing month at the delivery point(s) for service to the customer, excluding any energy the customer takes during the same period: (a) under any other rate schedule(s), or (b) under the Continuation Rate, if sold at a price above the energy portion of the power supply charge or otherwise separately stated on the bill. This amount shall be adjusted, if necessary, to account for losses between the location(s) of the billing meter(s) and the point(s) of delivery to the customer.

#### Continuation Charge

Continuation Service may be provided as described below. The Continuation Charge to be billed each month under this rate schedule for each interruptible billing account shall be computed for all energy ordered on behalf of customer during the period of interruption and shall be billed at the Continuation Rate which shall be the greater of:

- (a) the energy portion of the power supply charge, set forth above; or
- (b) the actual charges from the supplier of the continuation power, including all on and off-system wheeling charges and losses, plus an amount equal to five percent (5%) thereof to compensate the Cooperative for operating costs, overhead and administration.

#### **Power Factor Adjustment:**

The customer agrees to maintain unity power factor as nearly as practical. The Cooperative may install power factor metering devices at its discretion. Demand charges will be adjusted for power factors lower than 90%. Such adjustments will be made by increasing the measured demand 1% for each 1% by which the power factor during any period of fifteen consecutive minutes is less than 90% lagging.

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#### Delivery of Primary Service (Discount):

When a customer taking service at voltages of 14,400 and above and in excess of 1,000 kW, furnishes his/her own transformer and substation equipment, and receives delivery of electricity at primary voltage metering, a discount of 7% shall be allowed on monthly bills for primary metering. The 7% discount will not be allowed on the purchased power cost adjustment that is shown separately on the bill or on the Continuation Charge. The Cooperative shall have the right to approve transformers and substation equipment furnished by the customer under this type of service.

#### Tax Adjustments:

The applicable sales taxes in Arizona will be added to all bills where required. The Cooperative is authorized to pass on to the customers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Cooperative.

#### Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

### Terms of Payment:

Billings made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the Cooperative's collection policy.

#### Continuation Service:

Continuation Service during the period of interruption shall be available to the customer only to the extent the Cooperative is able to secure Continuation Service through its power supplier. As a condition precedent to receiving Continuation Service, the customer shall provide the Cooperative a letter specifying a price ceiling equal to or greater than the Energy Charge (\$/kWh) at which continuation service is authorized without further notice to the customer. When, during the period of Continuation Service, energy is being offered at a cost which exceeds the pre-authorized price ceiling (and providing the customer has made arrangements to receive and respond to such information), the customer shall be advised of the price at which energy is available and under which full or partial service may be continued or resumed during the period of interruption. The amount of energy to be made available will be the amount mutually agreed upon, in advance, between the customer and the Cooperative. The customer shall be bound to pay the Continuation Rate for all energy made available to the customer as Continuation Service during the period of interruption. The Cooperative retains the right to discontinue Continuation Service at any time.

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#### Scheduling of Energy:

The customer, by the third Friday of each month and in a manner specified by Cooperative and Cooperative's power supplier, shall request a scheduled energy amount per month (Scheduled Energy Amount). Scheduling shall be in accordance with the normal scheduling procedures of the Cooperative and its power supplier. The Scheduled Energy Amount shall be in whole megawatts rounded up.

### Modifications Caused by Power Supplier:

The Cooperative may modify any non-rate term or condition of this Tariff Schedule and the individual contracts executed thereunder to reflect the terms and conditions under which cooperative's power supplier provides interruptible service with notice and Continuation Service; provided, however, no change in a term or condition set forth in this Tariff Schedule shall be effective until such change is filed with and approved by the Commission.

In the event the rates in this Tariff Schedule no longer cover the actual charge for interruptible service with notice and Continuation Service from the Cooperative's wholesale power supplier, including all on and off-system wheeling charges and losses, plus an amount equal to five percent (5%) thereof to compensate the Cooperative for operating costs, overhead and administration ("Power Costs"), the Cooperative shall file for Commission review and approval of rates for interruptible service with notice and Continuation Service sufficient to cover such Power Costs.

#### **Provisions for Interruption:**

Interruption shall be in accordance with the following:

- 1. Interruptions may be declared for any reason including, without limitation, sales at a greater return.
- 2. Interruptions, not relating to system integrity or stability, may only be declared between the hours of 5:00 A.M. and 9:00 P.M. Arizona local time.
- 3. Interruptions may be declared at any time for system integrity or stability reasons.
- 4. The customer shall be provided not less than 20 minutes notice before service is actually interrupted under this rate schedule. Advance notice of a period of interruption shall only be required where Continuation Service is not available at the cost level pre-authorized by the customer. The Cooperative is not required to provide advance notice before limiting service to the Predetermined Interruptible Demand level. Such service limitation does not constitute an interruption.

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- The Cooperative will endeavor to keep the customer reasonably informed of the expected duration of the interruption and also the terms under which service may be continued or resumed under the Continuation Service provisions.
- 6. Any time after the customer has received at least 20 minutes prior notification that a period of interruption has been declared and that authorized Continuation Service is not available, service under this rate schedule may be interrupted for any duration and from time to time without limitation during the period of interruption.
- 7. The customer will be notified when the period of interruption is no longer in effect.
- 8. Notice shall be provided in the manner specified by the Cooperative and the Cooperative's power supplier. Notice provided shall be deemed duly given whether or not actually received by the customer.
- 9. The customer must provide the necessary facilities, acceptable to the Cooperative and the Cooperative's power supplier, to enable the Cooperative and/or its power supplier to remotely interrupt and control the load and must allow the Cooperative and/or its power supplier to control the interruption.
- 10. The customer shall be responsible for all of the costs associated with installing the necessary equipment in order for the customer to take service under this rate schedule.
- 11. Without declaring an interruption under the terms of this rate schedule, service to a customer under this rate schedule may be limited to the Predetermined Interruptible Demand.
- 12. The Cooperative and its power supplier will not be liable for any loss or damage caused by or resulting from any interruption of service.
- 13. The customer shall not transfer, during periods of interruption, any load served under this rate schedule to any other firm rate schedule.
- 14. The Cooperative may, at its sole discretion, direct the customer and its power supplier to communicate directly with regard to service rendered under this rate schedule.